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NSC BRIEFING

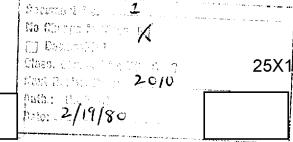
6 September 1958

TAIWAN STRAITS

- I. The Chinese Communist military build-up in the coastal areas opposite Taiwan, which began in late July has continued steadily.
 - A. More than 200 jet fighters and at least elements of three and possibly four bomber divisions (both piston and jet) have deployed to airfields from which they can readily attack the offshore islands and Taiwan itself.
 - B. Naval forces are assembling in the Santu Bay area immediately north of the Matsus.
- C. Two additional armies (92,000 troops) have been moved into the coastal area opposite Taiwan, bringing the total ground forces there to 4 armies (284,000 troops); a fifth army may also have been moved in.

II. By 23 August, the build-up had progressed far enough to permit the launching of interdiction operations against the Kinmens.

A. The airstrip and landing beaches on Big Kinmen were brought under artillery fire.



25X1

- B. Motor torpedo boats and larger gun boats were used at night against supply convoys.
- C. While the Chinese Communist air force was very active, it made no significant attacks on the offshore islands.
- III. In the last week, Chinese Communist military activity decreased sharply.
 - A. The artillery bombardment of the Kinmens tapered off after 30 August, and air activity has also been light with no offensive action.

- C. Activity began to pick up again on 5 September.
- IV. This lull in activity may have been caused by the passage of a typhoon through the area. It may also represent a pause by the Chinese Communists to evaluate the situation before taking their next step.

- A. They have now assembled forces considerably in excess of those needed for interdiction operations. These forces are, with the possible exception of amphibious lift, fully capable of taking all the offshore islands if opposed only by the Nationalists.
- B. In addition, both Chinese Communist propaganda and private statements by Chinese leaders have strongly committed China to seizure of the major offshore islands.
 - 1. On 28 August, Peiping broadcast to Taiwan a warning that "the invasion of Kinmen is imminent."

4. On 4 September, Peiping formally announced that its coastal waters extend to the twelve-mile line, and include the offshore islands. The announcement stated that "no airplane or military vessel of any foreign country" shall enter these waters without permission.

- C. During the last week, the USSR has made a series of strong statements in support of the Chinese.
 - 1. On 31 August the party newspaper, Pravda, issued a strong expression of support for Peiping, warning that the USSR will give Communist China the "necessary moral and material help in its just struggle."
 - 2. On 3 September, <u>Izvestiya</u>, the government paper, made the first reference to the 1950 Sino-Soviet Alliance. It said: "The Soviet Union, tied to the Chinese People's Republic by bonds of their inviolable fraternal alliance, fully supports this just struggle."
 - 3. On 5 September Pravda repeated expressions of support: "The Soviet people will extend to its brother the Chinese people every kind of aid." It warned that the US cannot count on the retaliatory blow being restricted to the offshore islands and the Taiwan Straits.
- IV. We estimated two weeks ago that the Communists' principal purpose was to test our intentions with regard to the offshore islands. We stated that they would probably not attack the major islands in the face of an explicit US guarantee or commitment of US forces to the protection of the supply lines to the islands.

- A. We now believe the Chinese Communists, with Soviet backing, have undertaken a major political play, in which they are attempting to create a situation of such tension that the world will be convinced that war is imminent. Their aim is to create pressure for the installation of the Peiping regime in the UN, and probably to force high-level political talks.
- B. The military and psychological pressures which they have thus far applied have not achieved these ends. Although we can cite no evidence, in this situation we see a very real possibility that the Chinese Communists will attempt to take one or more of the major offshore islands, even in the face of US military intervention.
- C. Soviet public statements during the 1955 crisis suggested that the USSR was attempting to restrain the Chinese Communists from risking war with the US. In the light of Soviet statements this time, which appear to give Peiping unqualified support, it would be dangerous to assume that the USSR will restrain the Chinese again.

MSC BRIEFING

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- III. In the last week, Chinese Communist military activity decreased sharply.
 - A. The aftillery bombardment of the Kinmens tapered off after 30 August, and air activity has also been light with no offensive action.

- C. Chinese Communist fighter aircraft activity began to pick up again on 5 September.
- IV. The lull in activity may have been caused by the passage of a typhoon through the area. It may also represent a pause by the Chinese Communists to evaluate the situation before taking their next step.
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- C. InPelping's official reply to the Risenhower-Dulles statement of 4 September, Chou En-lai on 6 September reaffirmed Pelping's "absolute right" to take the "necessary military actions" against Chinese Nationalist forces on the offshore islands.
 - Apparently in the belief that the Chinese Communists can now negotiate with the US from a position of strength, Chou stated that Peiping "is ready to resume ambassadorial talks."
 - 2. His statement, however, indicates that Peiping intends to maintain military pressure during any negotiations, in an attempt to force concessions such as withdrawal of the Chinese Nationalists from the offshore islands.
- D. On 5 September, Mao Toe-tung convened a "supreme state conference" in Peiping. The purpose of such conferences is to aunounce major policy decisions.

- 1. Peiping Radio has announced that the conference called for the Chinese people "to mobilize and struggle resolutely against US military provocations and the war threat in the Taiwan Strait area."
- 2. This is apparently not a "general mobilization" in the military sense, but opens a full-scale national campaign to whip up popular sentiment for "liberation of Taiwan, Kinmen, and Matsu."
- E. In contrast to Soviet statements in the 1955 crisis, during the last week, the USSR has given strong support to the Chinese.

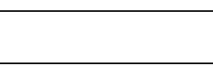
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 - A. The military and psychological pressures which they have that far applied have not achieved these ends, although the continued successful interdiction of Kinmen can be expected to raise tension sharply. We think the Communist 12-mile limit announcement may have been intended as a warning to the US not to break the interdiction. For these reasons, we see a very real possibility that the Communists will attack US convoy escorts.
 - R. We also take very seriously the possibility that the Chinese Communists will attempt to take one or more of the major offshore islands, even in the face of a US guarantee.

